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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM: <input type="text"/>		EXTENSION	NO. 25X1
Chief, Insurance Branch 926 Ames		<input type="text"/>	DATE 10 February 1978 25X1
TO: (Officer designation, room number, and building)	DATE		COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED	
1. DC/BSD			<p>On the advice of OGC's Messrs. <input type="text"/> and Anthony Laphan, an outside lawyer, <input type="text"/> wrote to <input type="text"/> requesting the opportunity to present a Pre-Paid Legal Plan to Agency representatives. As a result, a meeting was held on 29 November '77 between <input type="text"/> and Agency Officers <input type="text"/> <input type="text"/> representatives were unable to attend. Please refer to attachment #3 for the record of this meeting.</p> <p>A subsequent meeting of the above Agency officers <input type="text"/> <input type="text"/> was held on 12 January '78. During this meeting the feasibility of providing a Pre-Paid Legal Plan within cover and security parameters was discussed. A general consensus was reached that at this time the cover security and, to a lesser degree, administrative restrictions and potential liabilities of this proposal outweigh the benefits of a Pre-Paid Legal Plan for Agency employees.</p> <p>It was further agreed that, after discussions within their respective offices, <input type="text"/> Security Staffs would prepare brief statements confirming their positions vis-a-vis a Pre-Paid Legal Plan. Please refer to attachments #1 and #2 for these statements.</p> <p style="text-align: right;">continued -25X1</p>
2. C/BSD			
3. DD/Pers/SP			
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Finally, [redacted]
[redacted] the sponsors of the proposal,
are anxious to receive an Agency
response to the plan. It is, there-
fore, recommended that after a final
determination regarding a Pre-Paid
Legal Plan for Agency employees is
reached, [redacted] and/or
Laphan advise [redacted] of the
decision at their earliest convenience.



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27 JAN 1978
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MEMORANDUM FOR: Chief, Benefits and Services Division
Office of Personnel STAT

FROM: Robert W. Gambino
Director of Security STAT

SUBJECT: Proposed Prepaid Group Legal Services Plan
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1. Reference is made to the proposed Prepaid Group Legal Services Plan offered by attorneys [redacted]

[redacted] The plan, as understood by this office, is intended to provide legal services to Agency personnel on a group basis similar to that provided under the medical insurance plans. It is understood that the cover implications inherent in such a program will limit membership strictly to overt employees. The imposition of this caveat, however, does not alleviate all problem areas.

2. As explained by [redacted] legal services will be provided by a multitude of attorneys to whom cases will be assigned at the discretion of the insurers. The list of all employees participating in the plan will be maintained in the office of the insurer. This creates a condition contrary to standard security practices which, for good reasons, require that such lists be protected as classified. In recognition of this principle and as a result of the Edwin Moore case, a determination was made to eliminate Agency telephone directories containing a list of Agency personnel even though only overt personnel were included.

[redacted]

3. Initially, it would not be difficult to establish clearances on the limited number of lawyers, secretaries, and other clerical personnel associated with the group. However, in the long range, it would be highly impractical to maintain in a STAT

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current clearance status all participating attorneys and allied clerical help. The security implications may be relatively insignificant in a majority of cases. On the other hand, there is the real possibility that over a period of years, the legal group will compile a considerable quantity of biographic and potentially damaging or embarrassing data on a number of Agency employees. Should such detailed information fall into the hands of an individual whose views are inimical to the Agency, the results could present a variety of security and cover problems.

4. Inexpensive legal advice, as proposed under the plan, has obvious appeal analogous to that of the Agency medical insurance program. However, the medical insurance underwriter does not maintain records by employee name nor does it become directly involved with individual claims.

5. In view of the security difficulties cited above, this office recommends against any Agency participation in the proposed Group Legal Service.


Robert W. Gambino

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5. December 1977

MEMORANDUM FOR THE RECORD

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SUBJECT : Proposed Prepaid Legal Plan

On 29 November 1977 a meeting on a proposal for prepaid legal insurance for Agency employees was held between [redacted] (Office of Security), [redacted] (Office of Personnel) and two non-Agency Attorneys - [redacted] (representing the prepaid legal plan). Representatives from [redacted] were also invited but were unable to attend. This meeting was arranged as a result of a letter from [redacted] to the Acting Director of Personnel, [redacted] requesting the opportunity to meet with Agency representatives and to answer questions regarding their prepaid legal proposal. [redacted] has also been in contact with [redacted] and Anthony Laphan of the Office of General Counsel.

[redacted] explained the provisions of their prepaid legal plan (please see attachment) and answered questions regarding same. The major point is that this plan would provide prepaid legal service for members, legal spouse and dependent children of the member, within the local District of Columbia, Maryland and Virginia jurisdictions. [redacted] advised that a minimum of 200 employees must participate and that an annual premium of \$120 per member would be charged. Members would be required to sign a membership contract for one year. They advised that experience with other similar plans found that a ratio of 1 lawyer for each 1500 members was satisfactory to provide this legal assistance. [redacted] spoke of his 14 month experience as the attorney for a prepaid legal insurance program for the Fairfax County Police. However, this policy only covered members (not spouse and dependent children) and provided coverage only during their official duty hours. The cost of this plan was \$1 per month for members. When questioned about what type contract would

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be provided to participants, they advised that a letter outlining the benefits [no contract] and identifying attorney contacts in each of the 3 jurisdictions [including bail bondsmen] would be sent to each enrollee. Of interest to [redacted] was the administration of such a program. [redacted] were advised that the Agency does not automatically have people available to handle the mechanics [enrollment, collection of premiums, follow-up actions, etc.] of such a proposal. They responded that it was likely they could be responsible for the administration, handling it with additional personnel within their law office and without an increase in the \$120 yearly premium. [redacted] used the term "check-off" [payroll deduction] when discussing collection of premiums. He was advised that it is also unlikely that our payroll system could [or is even authorized] make payroll deductions for such a program. This did not seem to bother [redacted] as he was willing to include collection of premium as part of his administrative responsibility.

When questioned on the specific types of legal coverage (attachment) and methods for dealing with volume requests for assistance, [redacted] displayed several forms covering the most frequently requested legal questions. On the basis of a telephone request these screening/information forms would be mailed to the enrollee for completion and return to the attorney. By supplying this information on the form one or more visits with the attorney would be eliminated and both attorney and members time will be saved. Based on a review of these forms the attorney would be able to provide legal guidance, prepare letters, or request a meeting with the member. The use of this form system and the 6 free hours of legal advice (attachment) make the concept of a prepaid legal plan seem worthwhile.


The question of an employee enrolled in this plan bringing suit against the Agency was raised and [redacted] replied that if there was merit to a particular charge, this plan would provide legal assistance to the employee.

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He also advised that the plan would provide assistance to enrolled members who were called before congressional or other official committees. However, the plan would not assist one member in bringing suit against another member.

The Security representatives advised that the Agency would require participating lawyers to be cleared and that background checks would be performed on clerical/administrative personnel associated with the plan. The question of cover and the participation of employees under cover in such a plan received only brief mention as there was no cover representatives present. In addition to questions of security, the obvious cover questions appear to be the key consideration to the viability of a prepaid legal plan for Agency employees.


Chief, Insurance Branch

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Attachment



SUMMARY OF PREPAID LEGAL SERVICES

July 1, 1977

Prepaid Legal Service covers member, legal spouse and dependent children of the member, within the local District of Columbia, Maryland and Virginia jurisdictions. Any legal problem arising beyond the local jurisdictions will be negotiated directly between the attorney, covered person and attorney in the other jurisdiction. ANY LEGAL ACTION BETWEEN THE MEMBER AND ANY OTHER INDIVIDUAL COVERED BY THE PLAN IS EXCLUDED.

A. THE FOLLOWING LEGAL SERVICES ARE INCLUDED:

1. Consultation by telephone or office visit on any legal problem, except as limited hereafter, involving member, legal spouse (except separation or divorce from member) or dependent children of the member.
2. The will of each member and spouse shall be prepared and executed.
3. Preparation of routine legal documents such as Powers of Attorney, Simple Contracts, Agreements of Sale.
4. Separation and Property Settlement Agreements and Divorce cases (member only) that are not contested. If contested by spouse, the fee after the first six hours will be \$35.00 per hour, paid by member.
5. All motor vehicle traffic cases. No parking tickets.
6. Any personal injury (auto, professional malpractice, slander, etc.) to member, legal spouse or dependent children, with contingent fee of 25%. No charge for settlement of automobile for vehicle damage and replacement rental unless required to prove same in Court.
7. All misdemeanors and felonies. For any felony, an additional fee of \$35.00 per hour shall be paid by the covered person, after the first six hours, but not to exceed \$1,000.00.
8. All probate and estate matters, with fee as set by the Court.
9. All other civil matters, such as employer/employee, tax law violations, local or Federal governmental matters, etc., as Plaintiff or Defendant. Any time after the first six hours shall be paid by covered person at rate of \$35.00 per hour, but not to exceed \$1,000.00.

B. THE FOLLOWING LEGAL SERVICES ARE EXCLUDED BUT MAY BE HANDLED ON A FEE AGREEMENT BETWEEN THE COVERED PERSON AND THE ATTORNEY.

1. Any appeal of a civil or criminal matter, with the fee of \$35.00 per hour paid by covered person.
2. The formation of any business, bankruptcy, guardianship, adoption, or any other legal matter not covered herein.
3. Real estate settlements.

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